

Odoo ERP for Construction Companies in UAE

Complete Guide to Project Management, Subcontractor Control, BOQ, VAT Compliance and UAE E-Invoicing for UAE Construction Businesses — by Perfonec, Odoo Ready Partner

UAE construction businesses manage some of the most complex operational requirements of any industry — multi-project accounting, subcontractor management, bill of quantities, material procurement, site labour tracking, UAE VAT at 5%, and UAE mandatory e-invoicing from 2027. Odoo ERP covers all of these in one connected platform. This guide explains how each Odoo module solves a specific UAE construction challenge — and what Perfonec provides as the Odoo Ready Partner in UAE.

QUICK ANSWER — ODOO FOR UAE CONSTRUCTION	
Project accounting	Multi-project P&L; cost tracking, budget vs actual
Subcontractor mgmt	Subcontractor contracts, payments, retention tracking
BOQ and estimation	Bill of quantities linked to project phases
Material procurement	Purchase orders, goods receipt, landed costs
UAE VAT	FTA-compliant tax invoices, VAT 201, 5% built in
UAE e-invoicing	Via OESync by Perfonec — Odoo 16, 17, 18
Works with	Odoo 16 · Odoo 17 · Odoo 18

1. Why UAE Construction Businesses Choose Odoo ERP

UAE construction businesses face a unique combination of operational and compliance challenges. Most manage these across separate tools — a project management system, a separate accounting package, a procurement tool, and manual VAT spreadsheets. As a result, data lives in silos, costs are hard to track in real time, and project profitability is only known after the project closes.

Odoo ERP connects every function in one platform. Project costs flow automatically into accounting. Procurement links to project phases. Subcontractor payments track against retention schedules. UAE VAT applies automatically. Furthermore, OESync by Perfonec adds UAE Peppol e-invoicing for the 2027 mandatory deadline.

2. Key Odoo Modules for UAE Construction Businesses

1 Project Management — Multi-Site and Multi-Phase Control

Odoo Project covers the full UAE construction project lifecycle — from initial estimation through phases, milestones, and final handover. Each project gets its own budget, timeline, and task structure. Furthermore, project managers see real-time progress against budget without waiting for a monthly report. Multiple concurrent projects are tracked in one dashboard — critical for UAE contractors running several sites simultaneously.

■ Multi-project dashboard	■ Phase and milestone tracking	■ Budget vs actual in real time	■ Task assignment and progress	■ Project-level P&L;
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2 Accounting — UAE VAT and Multi-Project Financials

Odoo Accounting has full UAE VAT support built in — FTA-compliant tax invoices, VAT 201 return data, and UAE Corporate Tax at 9%. Every project cost, subcontractor payment, and client invoice flows into the accounting module automatically. Additionally, Odoo supports progress billing — invoicing clients at defined project milestones rather than on completion. Multi-currency is supported for UAE construction businesses with international clients or overseas material suppliers.

■ UAE VAT at 5% built in	■ FTA-compliant tax invoices	■ VAT 201 return data	■ Progress billing by milestone	■ Multi-currency for international projects
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3 Subcontractor Management — Contracts, Payments, Retention

UAE construction businesses rely heavily on subcontractors. Odoo manages subcontractor contracts, work orders, and payment schedules within the project framework. Retention amounts — typically 5 to 10 percent held until project completion — are tracked automatically against each subcontractor. Therefore, the finance team always knows the total retention liability without building a separate spreadsheet.

■ Subcontractor contract management	■ Work order tracking per subcontractor	■ Retention percentage tracking	■ Payment schedule against milestones	■ Subcontractor cost per project
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4 Purchasing and Procurement — Materials and Landed Costs

Odoo Purchasing links material procurement directly to project phases. Purchase orders are raised against specific projects — so material costs are allocated correctly from the start. When materials arrive on site, goods receipt updates inventory automatically and the cost flows to the project. For UAE construction businesses that import materials, Odoo handles landed costs — shipping, customs, and freight — and allocates them across material lines. Therefore, the true cost of each material is always known.

■ Project-linked purchase orders	■ Site goods receipt and stock tracking	■ Landed costs for imported materials	■ Vendor pricelists and payment terms	■ Material cost per project phase
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5 Inventory — Site Materials and Equipment Tracking

Odoo Inventory tracks materials across multiple sites in real time. When materials are issued from a central warehouse to a site, the transfer is recorded and the site stock count updates automatically. Equipment and tools can be tracked between sites. Furthermore, low stock alerts and reorder rules ensure critical materials are replenished before they run out on site.

■ Multi-site stock management	■ Warehouse to site material transfers	■ Equipment and tool tracking	■ Low stock alerts and reorder rules	■ Stock valuation linked to accounting
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6 CRM — Tender Management and Client Relationships

Odoo CRM covers the pre-project stage — tracking tender opportunities, client meetings, proposal submissions, and follow-ups. When a tender is won, the CRM opportunity converts directly to a project in Odoo — carrying all the client details, scope information, and agreed contract value. As a result, no data is re-entered between the sales stage and the project delivery stage.

■ Tender and opportunity pipeline	■ Proposal and quotation tracking	■ Client communication history	■ Opportunity to project conversion	■ Contract value and scope tracking
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3. UAE E-Invoicing for Construction Businesses — OESync

■■ UAE E-INVOICING DEADLINE — CONSTRUCTION BUSINESSES MUST ACT NOW

From 1 January 2027, UAE construction businesses with revenue above AED 50 million must send B2B invoices through the UAE Peppol network. All other VAT-registered construction businesses must follow by 1 July 2027. Odoo does not support UAE e-invoicing on its own. However, OESync by Perfonec connects Odoo 16, 17, and 18 directly to the UAE Peppol network. When a B2B invoice is confirmed in Odoo, OESync creates the PINT AE XML automatically and sends it through Peppol to the buyer — with no extra work from your accounts team. Perfonec handles the complete OESync setup as the Odoo Ready Partner in UAE.

Business Category	Go-Live Date	Fines Begin
Revenue AED 50M or above	1 January 2027	2 January 2027
All other VAT-registered SMEs	1 July 2027	2 July 2027
Pilot phase — all businesses	From 1 July 2026	No penalties

4. Which Odoo Version Is Right for Your UAE Construction Business?

	Odoo Community (Free)	Odoo Enterprise
Cost	Free — self-hosted	Annual licence — hosted or on-premise
Project management	Basic tasks and timesheets	Full project P&L, Gantt, milestones
Accounting	Basic — limited UAE VAT	Full UAE VAT, VAT 201, progress billing
Subcontractor mgmt	Limited	Full contracts, retention, payment schedules
UAE e-invoicing	Via OESync	Via OESync
Support	Community only	Odoo official + Perfonec
Best for	Very small contractors testing Odoo	Most UAE construction businesses

5. What Perfonec Provides for UAE Construction Businesses

Perfonec is an Odoo Ready Partner with Odoo Middle East (Cert n°0000699697). We handle the full Odoo implementation for UAE construction businesses — from initial setup and configuration through to UAE e-invoicing go-live.

Odoo Implementation	Full project setup including inventory	UAE VAT Configuration	All UAE VAT rates and zero-rated exports, invoice templates. V
OESync for UAE E-Invoicing	Complete	Data Migration	Full data migration from — chart of accounts opening balances, a
Training and Support	Full project go-live	Odoo Versions Supported	Odoo 16, Odoo 17, Community and Ent

About Perfonec Computers — Odoo Ready Partner UAE

Perfonec is an Odoo Ready Partner with Odoo Middle East (Cert n°0000699697). We implement Odoo ERP for UAE construction, retail, trading, manufacturing, and services businesses. We also supply Zoho Books licences, QuickBooks (Authorised Dealer and Pro Advisor), TallyPrime (Authorised Silver Partner), and Sage 50 (Authorised Reseller UAE). Developer of QBESync and OESync — UAE Peppol e-invoicing connectors for QuickBooks and Odoo.

Free Odoo UAE e-invoicing readiness check — no cost, no commitment.



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Based on UAE Ministry of Finance Electronic Invoicing Guidelines Version 1.1 (June 2026), Ministerial Decisions No. 243 and 244 of 2025, and Cabinet Decision No. 106 of 2025. For general guidance only — not legal or tax advice.